

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In Re: STANADYNE LLC, et al.,¹

Debtors.

Chapter 11
Case No. 23-10207 (JTD)
(Jointly Administered)

Re: Docket No. 245 and 297

TOYOTA INDUSTRIES COMMERCIAL FINANCE, INC.'S OBJECTION TO: (1) DEBTORS' MOTION FOR ENTRY OF: (A) AN ORDER (I) SCHEDULING A HEARING ON THE APPROVAL OF THE SALE OF ALL OR SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES OTHER THAN ASSUMED LIABILITIES AND PERMITTED ENCUMBRANCES, AND THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, (II) APPROVING CERTAIN BIDDING PROCEDURES AND ASSUMPTION AND ASSIGNMENT PROCEDURES, AND THE FORM AND MANNER OF NOTICE THEREOF, (III) AUTHORIZING THE DEBTORS TO ENTER INTO THE STALKING HORSE PURCHASE AGREEMENT, AND (IV) GRANTING RELATED RELIEF; AND (B) AN ORDER (I) APPROVING ASSET PURCHASE AGREEMENT, (II) AUTHORIZING THE SALE OF ALL OR SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES OTHER THAN ASSUMED LIABILITIES AND PERMITTED ENCUMBRANCES, (III) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF; and (2) NOTICE OF CONTRACT COUNTERPARTIES TO POTENTIALLY ASSUMED, ASSIGNED AND SOLD EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Toyota Industries Commercial Finance, Inc. ("Toyota") by and through its undersigned counsel, hereby objects to the: Debtors' Motion for Entry of: (A) an Order (I) Scheduling a Hearing on the Approval of the Sale of All or Substantially All of the Debtors' Assets Free and Clear of All Encumbrances Other Than Assumed Liabilities and Permitted Encumbrances, and the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (II) Approving Certain Bidding Procedures and Assumption and Assignment Procedures, and the Form and Manner of Notice Thereof, (III) Authorizing the Debtors to Enter Into the Stalking Horse Purchase Agreement, and (IV) Granting Related Relief; and (B) an Order (I) Approving Asset Purchase Agreement, (II) Authorizing the Sale of All or Substantially All of the Debtors' Assets Free and Clear of All Encumbrances Other Than Assumed

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtors' federal tax identification number, are: Stanadyne LLC (0378); Pure Power Technologies, Inc. (5202); Stanadyne PPT Holdings, Inc. (2594); and Stanadyne PPT Group Holdings, Inc. (1734). The Debtors' headquarters are located at 405 White Street, Jacksonville, North Carolina 28546.

Liabilities and Permitted Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief [Dkt. No. 245] (“Sale Motion”); and (2) Notice of Contract Counterparties to Potentially Assumed, Assigned and Sold Executory Contracts and Unexpired Leases [Dkt. No. 297] (“Assumption Notice”), filed by Stanadyne, LLC, et al. (“Debtors”).

1. In connection with the Sale Motion, the Debtors seek Bankruptcy Court authority to, among other things, assume and assign certain unexpired leases between the Debtors and Toyota.

2. Debtor Stanadyne LLC and Toyota entered into lease agreements for a 2022 Toyota Forklift model 8FBE15U-25658, and 2022 Toyota Forklift models 8FBE20U-28269 and 8FBE20U-28275. Debtor Pure Power Technologies, Inc. and Toyota entered into lease agreements for a 2021 Toyota Forklift Model 7FBCU35-62452 and 2017 Bendi Forklift Model B30AC-DS-1705G-10366. Copies of the Lease Agreements are attached as **Exhibit A**.

3. Toyota objects to the proposed assumption and assignment for several reasons:

- a. The Assumption Notice is deficient in that it fails to specify which specific forklifts and which specific leases are to be assumed and assigned.
- b. The cure amount stated in the Cure Notice is insufficient. Toyota is listed as the counterparty to three (3) leases with the Debtors, Nos. 189, 190, and 206 in Exhibit A of the Assumption Notice; however, a cure amount is listed for only No. 206. The Assumption Notice states the total cure amount for the leases between Debtors and Toyota \$2,710.07.
- c. As of June 12, 2023, the total cure amount for the leases between Debtors and Toyota is \$23,797.09.
- d. The cure amount for the leases between Toyota and Pure Power Technologies is \$18,564.74, consisting of pre-petition arrears in the amount of \$5,747.88, and post-petition arrears in the amount of \$12,816.86, which is one partial payment of \$1,914.14 for the payment due March 1, 2023, and three payments of \$3,595.76 each for the monthly payments due April 1, 2023 through June 1, 2023, and late fees in the amount of \$115.44.

- e. The cure amount for the leases between Toyota and Stanadyne, LLC is \$5,232.35, consisting of pre-petition arrears in the amount of \$1,995.99 and post-petition arrears in the amount of \$3,236.36, which is one partial payment of \$1,240.37 for the payment due May 1, 2023, and one payment \$1,995.99 for the payment due June 1, 2023.
- f. Toyota will not consent to an assumption and assignment of its leases to the prevailing bidder absent a full cure of arrears and an approved credit application with Toyota by the prevailing bidder.

WHEREFORE, Toyota Industries Commercial Finance, Inc. prays that the Sale Motion and Assumption Notice not be approved.

McCABE, WEISBERG & CONWAY, LLC

/s/ Chase N. Miller
Janet Z. Charlton, Esquire (No. 2797)
Email: JCharlton@mwc-law.com
Chase N. Miller, Esquire (No. 5363)
Email: ChaseMiller@mwc-law.com
1415 Foulk Road, Suite 100
Foulkstone Plaza
Wilmington, DE 19803
(302) 409-3520 [tel]
(855) 425-1980 [fax]
Attorney for Creditor

DATED: June 12, 2023

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In Re: STANADYNE LLC, et al.,¹

Debtors.

Chapter 11
Case No. 23-10207 (JTD)
(Jointly Administered)

CERTIFICATE OF SERVICE

I, Chase N. Miller, hereby certify that on June 12, 2023, I caused to be served a copy of the **TOYOTA INDUSTRIES COMMERCIAL FINANCE, INC.'S OBJECTION TO: (I) DEBTORS' MOTION FOR ENTRY OF: (A) AN ORDER (I) SCHEDULING A HEARING ON THE APPROVAL OF THE SALE OF ALL OR SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES OTHER THAN ASSUMED LIABILITIES AND PERMITTED ENCUMBRANCES, AND THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, (II) APPROVING CERTAIN BIDDING PROCEDURES AND ASSUMPTION AND ASSIGNMENT PROCEDURES, AND THE FORM AND MANNER OF NOTICE THEREOF, (III) AUTHORIZING THE DEBTORS TO ENTER INTO THE STALKING HORSE PURCHASE AGREEMENT, AND (IV) GRANTING RELATED RELIEF; AND (B) AN ORDER (I) APPROVING ASSET PURCHASE AGREEMENT, (II) AUTHORIZING THE SALE OF ALL OR SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL ENCUMBRANCES OTHER THAN**

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtors' federal tax identification number, are: Stanadyne LLC (0378); Pure Power Technologies, Inc. (5202); Stanadyne PPT Holdings, Inc. (2594); and Stanadyne PPT Group Holdings, Inc. (1734). The Debtors' headquarters are located at 405 White Street, Jacksonville, North Carolina 28546.

ASSUMED LIABILITIES AND PERMITTED ENCUMBRANCES, (III) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES, AND (IV) GRANTING RELATED RELIEF; and (2) NOTICE OF CONTRACT COUNTERPARTIES TO POTENTIALLY ASSUMED, ASSIGNED AND SOLD EXECUTORY CONTRACTS AND UNEXPIRED LEASES upon the following at the addresses indicated below:

Stanadyne LLC aka
Stanadyne Corporation aka
Stanadyne Automotive Corp.
405 White Street
Jacksonville, NC 28546
Via USPS

Jane M. Leamy
Office of the U.S. Trustee
844 King St., Suite 2207
Lockbox 35
Wilmington, DE 19801
Via CM/ECF

Elizabeth A. Beitler
f Hughes Hubbard & Reed LLP
One Battery Park Plaza
16th Fl.
New York, NY 10004
Via CM/ECF

Kathryn A. Coleman
Hughes Hubbard & Reed LLP
One Battery Park Plaza
16th Floor
New York, NY 10004
Via CM/ECF

Christopher Gartman
Hughes Hubbard & Reed LLP
One Battery Park Plaza
16th Floor
New York, NY 10004
Via CM/ECF

Michael R. Nestor
Young Conaway Stargatt &
Taylor
Rodney Square
1000 North King Street
Wilmington, DE 19801
Via CM/ECF

Andrew L Magaziner
Young Conaway Stargatt &
Taylor, LLP
Rodney Square
1000 North King Street
Wilmington, DE 19801
Via CM/ECF

Jeffrey S. Margolin
Hughes Hubbard & Reed LLP
One Battery Park Plaza
16th Floor
New York, NY 10004
Via CM/ECF

Adam C. Rogoff
Kramer Levin Naftalis &
Frankel LLP
1177 Avenue of the Americas
New York, NY 10036
Via CM/ECF

Rose Bagley
Kramer Levin Naftalis &
Frankel LLP
1177 Avenue of the Americas
New York, NY 10036
Via CM/ECF

Michael L. Tuchin
KTBS Law LLP
1801 Century Park East, 26th
Floor
Los Angeles, CA 90067
Via CM/ECF

David A. Fidler
KTBS Law LLP
1801 Century Park East, 26th
Floor
Los Angeles, CA 90067
Via CM/ECF

Laura Davis Jones
Pachulski Stang Ziehl & Jones
LLP

Timothy Cairns
Pachulski Stang Ziehl & Jones
LLP
919 Market Street, 17th Floor

919 Market Street, 17th Floor P.O. Box 8705
P.O. Box 8705 Wilmington, DE 19801-8705
Wilmington, DE 19801-8705 Via CM/ECF
Via CM/ECF

McCABE, WEISBERG & CONWAY, LLC

/s/ Chase N. Miller

Janet Z. Charlton, Esquire (No. 2797)

Email: JCharlton@mwc-law.com

Chase N. Miller, Esquire (No. 5363)

Email: ChaseMiller@mwc-law.com

1415 Foulk Road, Suite 100

Foulkstone Plaza

Wilmington, DE 19803

(302) 409-3520 [tel]

(855) 425-1980 [fax]

Attorney for Creditor